

COUNCIL ON HUMAN SERVICES

MINUTES

November 14, 2012

COUNCIL

Mark Anderson
Phyllis Hansell
Roger Hartman
Jim Miller
Sally Stutsman
Mark Peltan
Roberta Yoder

EX-OFFICIO MEMBERS

Senator Amanda Ragan
Representative Lisa Heddens (absent)
Representative Renee Schulte (absent)
Senator Jack Whitver (absent)

STAFF

Chuck Palmer	Nancy Freudenberg
Jennifer Vermeer	Karalyn Kuhns
Sally Titus	Jen Harbison
Harry Rossander	Don Gookin

GUESTS

Diane Stahle, Attorney General's Office
Dan Royer, Iowa Hospital Association
Jess Benson, Legislative Services Agency
Mary O'Brien, Visiting Nurse Services of Iowa
Aaron Todd, Legislative Services Agency
Kris Bell, Senate Democratic Caucus
Sandi Hurtado-Peters, Department of Management
Dennis Tibben, Iowa Medical Society
John Harvey, VOCAL

CALL TO ORDER

Mark Peltan, Chair, called the Council meeting to order on Wednesday, November 14, 2012, at 10:00 a.m. in the first floor conference rooms of the Hoover building.

ROLL CALL

All Council members were present. All ex-officio legislative members were absent with the exception of Senator Ragan.

RULES

Nancy Freudenberg, Bureau of Policy Coordination, presented the following rules to Council.

1. Amendments to Chapters 7 and 175, Child Abuse. Changes requirements for perpetrator's name to be removed from the registry after ten years. Allows only a person alleged responsible for abuse to file an appeal regarding charge. (State initiative)

A motion was made by Miller to approve and seconded by Stutsman. MOTION UNANIMOUSLY CARRIED.

2. Amendments to Chapters 51 & 52, State Supplementary Assistance. Implements COLA increases to several State Supplementary Assistance categories as required by federal and state statute. This rule is being filed as an emergency rule to be effective January 1, 2013. This rule is also being filed as a Notice of Intended Action (See N-2 below) to allow for public comment. (Federal and State initiative)

A motion was made by Yoder to approve and seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

3. Amendments to Chapters 77 and 79, Medicaid. Implements an average actual acquisition cost reimbursement methodology for all drugs. (State initiative)

A motion was made by Stutsman to approve and seconded by Hartman. MOTION UNANIMOUSLY CARRIED.

4. Amendments to Chapter 119, Child Abuse. Revises record check evaluations for health care programs; defines who is covered by rules; updates code changes; clarifies evaluations on current employees; revises required documents to include child abuse check; adds new section on restrictions; revises

procedures for notifying evaluated persons and revises titles to include employers and training programs. (State initiative)

A motion was made by Anderson to approve and seconded by Hansell.
MOTION UNANIMOUSLY CARRIED.

REPORT OF NOTICED ACTION

N-1. Amendments to Chapter 50, State Supplementary Assistance. Allows the use of the same application for State Supplementary Assistance as is used for Medicaid, FIP, and Food Assistance. (State initiative)

N-2. Amendments to Chapters 51 and 52, State Supplementary Assistance. Implements COLA increases to several State Supplementary Assistance categories as required by federal and state statute. This rule is also being filed as an emergency rule. (See Rule 2 above)

N-3. Amendments to Chapters 77, 78, & 79, Medicaid. Implements a 24-hour-per-day on-call service for Medicaid members on the elderly waiver in assisted living facilities.

Jennifer Vermeer, Medicaid Director, provided information on home and community-based services waivers. She also explained the differences between on-call and emergency services. Discussion also occurred regarding billing practices.

N-4. Amendments to Chapter 170, Child Care Assistance. Implements funding provided by the legislature to increase child care assistance half-day rate ceilings. (State initiative)

A motion was made by Yoder to approve the Report of Noticed Action and seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

ACCOUNTABLE CARE ORGANIZATION (ACO) UPDATE

Jennifer Vermeer, Medicaid Director, provided an update on a grant DHS submitted on behalf of the Governor's office to develop Accountable Care Organizations within the Medicaid program. She said the health care system is very fragmented and this is a contributing factor to care and cost issues in our health care system. The goal of the grant opportunities from the Centers for Medicare and Medicaid Services (CMS) is for states to think about health care and integrated care delivery.

CMS provided two tracks that states could choose from; model testing for states that were ready to test innovation models. Iowa is not ready for model testing. We submitted in the model design track in which the grant provides funding for

six months to design how we would want to renovate our health care delivery system. In Iowa there are a small number of large scale entities that are already moving in this direction and our health care delivery system is also headed in this direction.

We have many large health systems already forming into Accountable Care Organizations (ACOs) which means that they, as a corporate entity, take on accountability and responsibility for managing a large scale population that is attributed to them for management. They will deliver an organized care delivery for a population and this is the direction Iowa wants to go for Medicaid as well; a broad scale effort within a state that is led by multiple payers for broad scale system delivery change.

The Governor convened a work group of state health care leaders that had already been traveling this direction.

Vermeer provided a project abstract (on file in the Director's Office) and reviewed the project vision of transforming Iowa's health care system so that it's affordable and accessible for families, employers, and the state and achieves higher quality and better outcomes. She said the goal of the project is to hold total health care cost growth to less than 2% and reduce costs for those engaged in integrated care models by 5-8%.

Vermeer shared ACO strategies and Council asked questions and discussed.

PRE-ADMISSION SCREENING & RESIDENT REVIEW (PASRR)

Don Gookin, Iowa Medicaid Enterprise, provided a handout to Council and explained that Pre-admission Screening & Resident Review (PASRR) is a federal regulation that applies to anyone that is being admitted to a Medicaid-certified nursing facility, regardless of payment source. The purpose is to evaluate admissions for mental illness or intellectual disability and if a condition is found, ensure there are appropriate services available within the facility. (Handout on file in Director's Office)

Gookin said there are Level 1 screenings which are brief screenings done through a web-based portal that returns immediate results. If an individual is noted as having a potential mental illness or intellectual disability or related condition they may be evaluated at Level 2. Level 2 is a more comprehensive evaluation done by a licensed Iowa clinician, usually in-person. These evaluations can be completed day, night, or on weekends. All Level 2 evaluations go through a quality review process.

Iowa has been compliant with PASRR regulations since September 1, 2011. The web-based system has been in place since January 9, 2012.

Council and staff discussed several points of information during the presentation. Miller was concerned that patients could be in “limbo” while they await Level 2 screening. Staff reported that the process is being developed to minimize instances where that might occur. Peltan noted that hospital admissions are on a slight increase from 2011. There was then a brief discussion about the results shown on the handout that identified that we are not meeting appropriate timeframes for completion of these screenings. Vermeer noted that there are some penalties for failure by the contractor to get screenings done timely.

Peltan asked if it was appropriate for the contractor, Ascend, to be doing level of care determinations? In response, staff stated that PASRR regulations do require that level of care be done as part of the screening. Staff also noted that if the patient is under Medicaid, IME does the level of care, if not, the contractor, Ascend does the level of care. Staff also discussed quality metrics being used in the process. Hansell stated that the quality of these screenings would need to be determined by competent personnel.

Gookin shared there have been very few concerns from providers in the past six months. He reviewed the timeframes for completion of Level 1 and Level 2 screenings from January – October 2012, instances of noncompliance by nursing facilities with PASRR prior to admission and possible consequences, and new initiatives by the PASRR contractor.

Vermeer noted that there would be a significant impact on the contract with Ascend, the contractor, if time frames for evaluations would change. Council agreed to consult with fellow citizens and medical practitioners to determine if there is a sense of concern about screening timeframes and the evaluation process.

Council requested to be kept updated on this issue.

PARK & INSTITUTIONAL ROADS REPORT

Karalyn Kuhns, Division of Mental Health and Disability Services, provided two handouts (on file in the Director’s office). She said the Park and Institutional Roads Fund finances maintenance and improvements of roads on DHS campuses, as well as in state parks and institutions operated by the Department of Natural Resources, the Department of Corrections, and the State Board of Regents. The funding originates from the State Road Use Tax Fund.

Kuhns shared that each year DHS is asked to update the five-year plan. The Iowa Veterans Home is included in the DHS allocation and the Mount Pleasant Mental Health Institute is included in the Department of Corrections allocation. The Department of Transportation’s (DOT) annual allocation for this five-year plan is \$520,000 per year. From this amount, the DOT withholds \$20,000 per

year for annual roadway maintenance. This reduces the final allocation to \$2,500,000.

Kuhns reviewed project changes and additions to the plan this year.

Kuhns said the DOT requires the DHS Council to formally approve the plan. If approved, the facilities will work with DOT to complete the projects.

A motion was made by Miller to approve the plan as presented and seconded by Stutsman. Council discussed. MOTION UNANIMOUSLY CARRIED.

DHS/ATTORNEY GENERAL'S (AG) OFFICE

Sally Titus, Deputy Director, and Diane Stahle, Assistant Attorney General, reviewed how DHS relies on the Attorney General's (AG's) office for legal advice and how the AG's office is organized and coordinates with the Department. Titus said the AG's office helps DHS interpret state and federal laws and regulations, drafting and reviewing administrative rules, reviewing requests for proposals, helps to negotiate terms of contracts and monitor and manage them, provides advice on operational and key constituency issues, assists with responses to federal audits, and assists with employee situations that involve the need for legal counsel if there is a tort claim for a filing against the state around either civil rights complaints and/or any number of issues around personnel actions. The AG's office also represents DHS in administrative appeals, tort claims, lawsuits, and in Court.

Stahle said there are 200 attorneys in the AG's office and they are divided into divisions based on the type of work they do. Stahle's division is the Regents and Human Services division. This is the largest division in the AG's office with 54 attorneys working exclusively for DHS; 14 of those do general DHS work and 40 are Child Support Recovery Unit (CSRU) attorneys co-located within CSRU offices around the state.

Stahle said that virtually any decision the Department makes can be appealed through the administrative process. By law, the AG's office is required to represent all state agencies when they are involved in litigation in District Court on the federal or state side but are not required to represent DHS in administrative appeals. DHS has elected to have the AG's office represent the Department in several matters; the largest is the area of child abuse appeals with approximately 900-1000 appeals filed each year. The AG's office is also involved in some Medicaid appeals, for example the area of program integrity.

The AG's office also represents the state in cases of termination of parental rights (TPR), as well as child in need of assistance (CINA), and delinquency matters. There are approximately 300 TPR appeals every year handled by one attorney; 70 CINA appeals every year, 20 delinquencies, and 20-25 general

lawsuits involving DHS for such things as breach of contract claims, employment-related matters, federal civil rights cases, and CCUSO cases.

Stahle said tort claims filed against the State are handled by the Special Litigation Unit within the AG's office.

The AG's office has the authority to settle cases anytime there is state general fund dollars involved. Cases are usually settled with general fund dollars instead of DHS budget dollars. The AG's office and DHS work together to settle these cases.

2013 LEGISLATIVE PROPOSALS

Jennifer Harbison, Policy Advisor, reviewed the Department's 2013 legislative proposals (on file in the Director's Office) and the legislative package process with Council. The Department's proposals include:

- **ACFS** – Amend code 234.46(1) to limit participants to the Preparation for Adult Living (PAL) program to only those youth that reside within Iowa.
- **IME** – Amend Iowa Code Section 135C.6 – Home and Community-Based Services licensure requirements.
- **IME** – Amend Medicaid Home and Community Based Services Waiver Payments Iowa Acts 2010, S.F. 2088 Government Efficiency bill – Waiver Prior Authorization.
- **ACFS/Fiscal** – Eliminate Chapter 225C.48 of the Code of Iowa requires the establishment of an eleven member Comprehensive Family Support Council to provide ongoing guidance, advice and direction in the development and implementation of the Family Support Subsidy Program.
- **MHDS** – Amend Iowa Code Chapter 225C.6A,1,b, disability services system redesign which identifies a method to creating a client identifier by using the last four digits of an individual's Social Security number.
- **MHDS** – Repeal Iowa Code Chapter 220A, Interagency Information Service on Persons with Mental Disabilities. Proposal changes the Code which requires an interagency case information service.
- **MHDS** – Change how the Mental Health Block Grant (MHBG) are allocated to Community MHDS Mental Health Centers (CMHCs).
- **MHDS** – Amend Iowa Code Chapter 135P.3 & .4, (newly created 2012 session SF 2315 mental health redesign).

A motion was made by Anderson to accept with appreciation the 2013 Legislative Proposals # 2-8 amending #4 to reflect language in the minutes from our October 10, 2012, meeting. The motion was seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

Proposal #1 will come back to the Council at their December meeting with revised information.

LEGISLATIVE UPDATE

Jennifer Harbison, Policy Advisor, said it was an interesting election. The Senate is the same as before the election; 26 Democrats and 24 Republicans with Senator Ward's seat (West Des Moines) coming up for a special election on December 11, 2012. The House Republicans had a majority 60 seats to 40 Democrats previous to the election. Since the election the seats are now 53 Republicans and 47 Democrats with one race being recounted in a western suburb of Des Moines.

Harbison shared that Council member Sally Stutsman won a seat in the legislature in her district and Harbison said she looks forward to working with Stutsman in that capacity.

Stutsman said the House caucus met on Saturday and leadership decisions were made. Harbison said she hasn't heard if House Republicans have met yet. Stutsman believed they were meeting today. It is also unknown if Senate Republicans have met.

Harbison said she will provide updated information from the legislature as it becomes available.

APPROVAL OF MINUTES

Peltan requested a correction be made on the last page of the October 10, 2012, minutes to reflect that the next Council meeting is November 14th, not November 7th as written. A motion was made by Miller to approve the October 10, 2012, minutes with the above correction and seconded by Stutsman. MOTION UNANIMOUSLY CARRIED.

COUNCIL MEMBERS' UPDATE & AGENDA ITEMS FOR 2013

Hansell asked who she should contact in order to set up a visit to a DHS program. Palmer advised her to call Linda Miller.

Peltan asked Stutsman if her last Council meeting would be in December of 2012. She confirmed.

Peltan said that Council needs to do planning for field visits and agenda topics for 2013. He noted the visits should be during good weather seasons so they would not have to be cancelled and suggested the next visit be to the Mt. Pleasant Mental Health Institute, possibly in April or May. Council could also visit the Clarinda Mental Health Institute and Glenwood Resource Center in October.

Council also requested future agenda items include PASRR, Medicaid expansion issues, facilities (long term), legislative updates, PALs program and outcomes, Accountable Care Organizations, and mental health redesign.

DIRECTOR'S REPORT

Director Palmer underlined that the Accountable Care Organization (ACO) work will be key for integration of Medicaid and the mental health system and establishing a different kind of direction across our health care delivery.

Regarding mental health redesign, Palmer said that 96 or 97 counties are talking to each other regarding regionalization. Two smaller counties have noted they are not interested being part of a region. The rules are being written by the MH/DD Commission with input from the Transition Committee. Both groups are following the legislation closely.

The applications for transition funding are in and 31 counties have applied. In that two-thirds of the counties don't feel they were in sufficient financial issues to ask for transition funding is more positive than we would have thought. Palmer said most of the requests were made due to unpaid Medicaid bills paid by the counties.

The Director shared that the legislature will have its interim committee on the funding, primarily focused on equity balancing and other fiscal issues as well. Workgroups are winding down and we will have a special workgroup with the Residential Care Facilities (RCFs) to look at the role of the RCFs and what makes sense in terms of good business planning on their part. We are working on continuum of care and what is the proper continuum of care in the mental health and disability system.

Palmer shared with Council that Tom Huisman, the Department's Chief Information Officer, has resigned. He said Lorrie Tritch has accepted the position. Tritch previously worked in DHS so she knows the Department and its systems, as well as state systems. She will be an asset to the Department and will play a key role with the new systems needed for the insurance exchange.

The Director stated that the federal government has set back some of the timelines regarding the insurance exchange as some states are having difficulty meeting the timelines, and if a state does nothing they would default to a federal

system. Palmer noted that Iowa is interested in a state partnership with the federal government, but also said there is a lack of clarity in what this really means, as well as what the federal system would be and the capacity of the federal government to take over. Only 19 states have progressively moved ahead on their own system.

With the President's election win the healthcare law, other than the expansion, becomes the law of the land. Many parts of it have already been implemented. The discussion now is will Iowa do the Medicaid expansion. Palmer said this will be a topic discussed in the legislature.

Palmer thinks the big shadow over everything right now is the fiscal cliff. It could have significant implications, although Medicaid is not in the sequestered area at this time.

NEXT MEETING

The next meeting of the Council on Human Services will be held December 12, 2012.

A motion was made by Anderson to adjourn and seconded by Stutsman.
MOTION UNANIMOUSLY CARRIED.

Council adjourned at 2:15 p.m.

Submitted by,

Harry Rossander
Bureau of Policy Coordination

Trudy Crawford
Director's Office

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